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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/654,933	09/01/2000	Jay S. Walker	96-108XX	7050
22927	7590	12/23/2005	EXAMINER	
WALKER DIGITAL FIVE HIGH RIDGE PARK STAMFORD, CT 06905			COLBERT, ELLA	
			ART UNIT	PAPER NUMBER
			3624	
DATE MAILED: 12/23/2005				

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No.	Applicant(s)	
	09/654,933	WALKER ET AL.	
	Examiner Ella Colbert	Art Unit 3624	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1) Responsive to communication(s) filed on 12 October 2005.
 2a) This action is **FINAL**. 2b) This action is non-final.
 3) Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4) Claim(s) 49-62, 70 and 73-80 is/are pending in the application.
 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
 5) Claim(s) _____ is/are allowed.
 6) Claim(s) 49-62, 70, 73-80 is/are rejected.
 7) Claim(s) _____ is/are objected to.
 8) Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9) The specification is objected to by the Examiner.
 10) The drawing(s) filed on _____ is/are: a) accepted or b) objected to by the Examiner.
 Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
 Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
 11) The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12) Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
 a) All b) Some * c) None of:
 1. Certified copies of the priority documents have been received.
 2. Certified copies of the priority documents have been received in Application No. _____.
 3. Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) <input type="checkbox"/> Notice of References Cited (PTO-892)	4) <input type="checkbox"/> Interview Summary (PTO-413)
2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)	Paper No(s)/Mail Date: _____
3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08) Paper No(s)/Mail Date: _____	5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152)
	6) <input type="checkbox"/> Other: _____

DETAILED ACTION

1. Claims 49-62, 70, and 73-80 are pending in this communication filed 10/12/05 entered as Response After Non-Final action.

Claim Rejections - 35 USC § 103

2. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

3. Claim 49-62, 70, and 73-80 are rejected under 35 U.S.C. 103(a) as being unpatentable over (US 5,933,817) Hucal in view of (US 4,46,442) Musmanno.

Claims 49, 61 and 62: Hucal teaches, A method, corresponding apparatus and program comprising: determining a first value for an parameter of a credit account (col. 1, line 59-col. 2, line 19); determining a second value for the parameter (col.. 3, lines 31-45); calculating, by a processing device, a payment, wherein the payment is based on a modification of the parameter from the first value to the second value (col. 3, lines 5-8, lines 28-34 (central processing unit of computer system) and lines 46-64, and col. 4, lines 9-35). Hucal failed to teach, providing an offer to a customer associated with the credit account, wherein the offer comprises an offer to provide the payment to the customer if the customer agrees to the modification of the parameter. Musmanno teaches, providing an offer to a customer associated with the credit account, wherein the offer comprises an offer to provide the payment to the customer if the customer agrees to the modification of the parameter (col. 2, lines 32-58 and col. 4, lines 1-17). It

would have been obvious to one having ordinary skill in the art at the time the invention was made to provide an offer to a customer associated with the credit account, wherein the offer comprises an offer to provide the payment to the customer if the customer agrees to the modification of the parameter and to modify in Huncal because such a modification would allow Huncal to provide a customer with special services if the customer complies with the credit regulations and earns a "cash back" benefit on his or her credit account.

Claim 50. Huncal teaches, The method of claim 49, further comprising: receiving a customer acceptance of the offer (col. 4, lines 36-44 –"the customer has the opportunity to accept and to qualify for each tier of the reduced interest rates").

Claim 51. Huncal teaches, The method of claim 50, further comprising:
providing the payment to the customer (col. 4, line 47-col. 5, line 61); and modifying the account parameter from the first value to the second value (col. 4, lines 57-57 –"interest rate and period of time monthly").

Claim 52. Huncal teaches, The method of claim 51, wherein an indication of the first value of the parameter of the credit account associated with the customer is stored in a record of a parameter database (col. 2, lines 20-48 –a database by definition is a collection of data stored on a computer storage medium such as a disk that can be used for more than one purpose) and where the step of modifying the parameter comprises:
substituting the second value for the first value in the record of the parameter database (col. 2, line 49-59 and col. 3, lines 1-11).

Claim 53. Hucal teaches, The method of claim 52, wherein the value of the parameter as stored in the record of the parameter database is used to calculate an amount owed by the customer for activity on the credit account (col. 2, lines 9-39).

Claim 54. Hucal teaches, The method of claim 49, wherein the account parameter comprises one of an interest rate, a time period of the interest rate, a monthly minimum payment, a credit limit, a grace period, a payment amnesty, and a late fee (col. 3, lines 22-30 –minimum payment; lines 42-45 –time period of the interest rate; and line 61-col. 4, line 15 –interest rate; and col. 5, lines 1-10).

Claim 55. Hucal teaches, The method of claim 49, wherein the second value is selected based on information associated with the customer associated with the credit account (col. Col. 4, lines 45-67).

Claim 56. Hucal teaches, The method of claim 55, wherein the customer information comprises a customer rating (col. 2, lines 27-33).

Claim 57. Hucal and Musamanno failed to teach, The method of claim 56, wherein the customer rating is based on at least one of a past payment history for the credit account, information obtained from a credit reporting agency, and an income of the customer, but it would have been obvious to one having ordinary skill in the art at the time the invention was made to have the customer rating based on at least one of a past payment history for the credit account, information obtained from a credit reporting agency, and an income of the customer and to modify in Huncal because such a modification would allow Hucal to have the capability to give a customer credit based on the customer's credit worthiness and ability to pay debts. However, it is well known in

the art when applying for credit or a loan, etc. the applicant's (customer's) credit report which includes the past payment history and the income of the customer are always checked and the loan amount (credit) and rate of interest are based mainly on these factors.

Claim 58. Hucal teaches, The method of claim 49, wherein the step of calculating the payment comprises: calculating a payment, wherein the payment is based on the modification of the parameter from the first value to the second value and information associated with the customer associated with the credit account (col. 3, lines 25-64).

Claim 59. Hucal teaches, The method of claim 49, wherein the second value of the parameter is more favorable to a credit account issuer associated with the credit account (col. 3, lines 46-60).

Claim 60. Hucal teaches, The method of claim 49, wherein the second value of the parameter is more profitable to a credit account issuer associated with the credit account (col. 4, lines 2-44).

Claims 70, 73 and 74: Hucal teaches in claim 73, A storage device (col. 2, lines 34-42); a processor in communication with the storage device (col. 3, lines 31-33); the storage device storing a program for controlling the processor (col. 2, lines 34-37); and the processor operative with the program (col. 3, lines 1-11 and lines 31-34) and claims 70 and 74, A method and medium encoded with a program for implementing the method, said program for directing a device to perform the steps of: determining at least one term of the credit account (col. 2, lines 49-60); and determining a payment to offer to the customer in exchange for modifying the at least one term (col. 3, line 61-col. 4, line 44);

and presenting the customer with an offer to modify the at least one term of the credit account (col. 5, lines 20-30), wherein the offer to modify the at least one term of the credit account includes an offer of the payment (col. 5, lines 42-61). Hucal failed to teach, determining that a customer associated with a credit account is dissatisfied with the credit account; determining at least one term of the credit account. Musmanno teaches, determining that a customer associated with a credit account is dissatisfied with the credit account; determining at least one term of the credit account (col. 3, lines 49-68). It would have been obvious to one having ordinary skill in the art at the time the invention was made to determine that a customer associated with a credit account is dissatisfied with the credit account and determining at least one term of the credit account and to modify in Hucal because such a modification would allow Huncal to determine which term of the credit account the customer is dissatisfied with and to negotiate another term of the credit account that the customer is satisfied with relating to the credit account.

Claim 75. Hucal teaches, The method of claim 70, further comprising: receiving from the customer a requested modification to the at least one term of the credit account (col. 3, lines 43-45).

Claim 76. Hucal teaches, The method of claim 75, further comprising: evaluating the requested modification in order to determine whether to accept or reject the modification (col. 4, lines 36-44). Hucal and Musmanno failed to teach, transmitting to the customer, based on the evaluation, at least one of an acceptance and a rejection of the requested modification, but it would have been obvious to one having ordinary

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skill in the art at the time the invention was made to transmit to the customer, based on the evaluation, at least one of an acceptance and a rejection of the requested modification and to modify in Hucal because such a modification would allow Huncal to know whether the customer would accept the modification or whether the customer would rejected the modification and would need to be made another modification offer.

Claim 77. This dependent claim is rejected for the similar rationale as given above for claim 76.

Claim 78. This dependent claim is rejected for the similar rationale as given above for claims 76 and 78.

Claim 79. Hucal and Musmanno failed to teach, The method of claim 70, wherein the determination that a customer is dissatisfied with the credit account is based on receiving, from the customer, a request to cancel the account, but it would have been obvious to one having ordinary skill in the art at the time the invention was made to determine that a customer is dissatisfied with the credit account is based on receiving, from the customer, a request to cancel the account and to modify in Hucal because such a modification would allow Hucal to know that the customer is dissatisfied with the credit account when the account is requested to be cancelled. It is well known that when a customer is dissatisfied with a credit account or loan account that the customer will cancel the account and/or move the account.

Claim 80. This independent claim is rejected for the similar rationale as above for claim 1.

Response to Arguments

4. Applicant's arguments filed 10/12/05 have been fully considered but they are not persuasive.

Issue no. 1: Applicants' argue: The Examiner admits that Hucal does not teach providing such an offer, we disagree that Musmanno is substantial evidence that providing such an offer was known, and we request that the Examiner clarify the specific language in this paragraph that the Examiner believes is evidence that "providing an offer to a customer associated with the credit account, wherein the offer comprises an offer to provide the payment to the customer if the customer agrees to the modification of the parameter" was known has been considered but is not persuasive.

Response: The term "parameter" is a very broad term and has been given its broadest reasonable interpretation. "Parameter" is by definition "a characteristic element"; broadly. See MPEP 2144, entitled "RATIONALE MAY BE IN A REFERENCE, OR REASONED FROM COMMON KNOWLEDGE IN THE ART, SCIENTIFIC PRINCIPLES, ART RECOGNIZED EQUIVALENTS, OR LEGAL PRECEDENT. The Examiner is entitled to give claim limitations their broadest reasonable interpretation in light of the Specification (see below):

2111 Claim Interpretation; Broadest Reasonable Interpretation [R-1]

>CLAIMS MUST BE GIVEN THEIR BROADEST REASONABLE INTERPRETATION

During patent examination, the pending claims must be "given the broadest reasonable interpretation consistent with the specification." Applicant always has the opportunity to amend the claims during prosecution and broad interpretation by the examiner reduces the possibility that the claim, once issued, will be interpreted more broadly than is justified. In re Prater, 162 USPQ 541,550-51 (CCPA 1969).<

Issue no. 2: Applicants' argue: The evidence cannot support the asserted motivation and even if it could, that motivation would not suggest the specific modification of Hucal to "allow for providing an offer to a customer associated with the credit account wherein the offer comprises an offer to provide payment to the customer if the customer agrees to the modification of the parameter" and the Examiner asserts that the motivation is: "because such a modification would allow Hucal to provide a customer with special services if the customer complies with the credit regulations and earns a "cashback" benefit on his or her credit account" [Office Action, page 3] and the Examiner does not indicate any evidence of record that supports this alleged motivation has been considered but is not persuasive. Response: Providing "cashback" is considered to be an offer and the cash back does provide a payment for the customer if a customer agrees to a modification of the terms of a credit account. This is well known in the art of credit cards and credit accounts as an incentive for retaining a customer.

Issue no. 3: Applicants' argue: The Examiner is obligated to make of record objective and substantial evidence in support of the finding that it was "well known in the art when applying for credit or a loan, etc. the applicant's (customer's) credit report which includes the past payment history and the income of the customer are always checked and the loan amount (credit) and rate of interest are based mainly on these factors" has been considered but is not persuasive. Response: Anyone who knows anything about applying for a loan of any type knows that your credit report is pulled to check your FICA score and the loan amount (credit) and rate of interest are based on your credit history (credit worthiness).

Issue no. 4: Applicants' argue: The Examiner asserts the Musmanno teaches "determining that a customer associated with a credit account is dissatisfied with the credit account" and we disagree because nothing in the cited portion, which is generally directed to computing and updating credit limits for customers, remotely hints at customer dissatisfaction with a credit account has been considered but is not persuasive. Response: If a customer is given a credit limit or terms the customer does not agree with the customer would be dissatisfied with the credit account and cancel the credit account.

Issue no. 5: Applicants' argue: the Examiner's assertion that Huncal teaches the feature of presenting the customer with an offer to modify the at least one term of the credit account, wherein the offer to modify the at least one term of the credit account includes an offer of the payment and nothing in Huncal (or Musmanno) suggests that such a feature was known has been considered but is not persuasive. Response: It is interpreted that Huncal discloses modifying a term of the credit account includes an offer of the payment by the calculation of the percentage of the balance reduction on the credit account when making a payment.

Issue no. 6: Applicants' argue: the Examiner again relies on a finding that the Examiner admits is not supported by the only evidence relied on (Huncal and Musmanno) and the Examiner is obligated to make of record objective and substantial evidence in support of the finding that it was known and obvious to provide for "transmitting to the customer, based on the evaluation, at least one of an acceptance and a rejection of the requested modification" has been considered but is not

persuasive. Response: Evaluating the requested modification of what to determine whether to accept or reject the modification of what? Do Applicants' mean "evaluating the requested modification of the credit account or the requested modification of the terms to determine whether to accept or reject the modification of the credit account or terms? Applicants' are respectfully requested to clarify in the claim language what they are trying to claim.

Issue no. 7: Applicants' argue: the Examiner relied on the rejections of claims 49, 61, and 62 and thus ignored the explicit features of "receiving an indication that the customer agrees to the modification and providing the payment to the customer after receiving the indication" and nothing in the cited (Hucal and Musmanno) suggests providing payment to a customer after receiving an indication of agreement to a modification" has been considered but is not persuasive. Response: In response to applicants' argument that the references fail to show certain features of applicants' invention, it is noted that the features upon which applicant relies (i.e., "providing payment to a customer after receiving an indication of agreement to a modification") are not recited in the rejected claim(s). The claim recites "...; providing an offer to the customer, in which the offer comprises an offer to provide the payment to the customer if the customer agrees to a modification of the parameter from the current value to the value that is not the same as the current value; receiving an indication that the customer agrees to the modification; and providing the payment to the customer after receiving the indication". Although the claims are interpreted in light of the specification,

limitations from the specification are not read into the claims. See *In re Van Geuns*, 988 F.2d 1181, 26 USPQ2d 1057 (Fed. Cir. 1993).

The Applicants' are respectfully requested to point out in the independent claim(s) to the Examiner the inventive concept and to claim the inventive concept in the claim language.

Conclusion

5. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

Inquiries

6. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Ella Colbert whose telephone number is 571-272-6741. The examiner can normally be reached on Tuesday-Thursday, 6:30AM-4:00PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Vincent Millin can be reached on 571-272-6747. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).



E. Colbert
Primary Examiner
December 14, 2005